IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF MISSISSIPPI
WESTERN DIVISION

GLEN MAIER, Plaintiff

v. No. 3:99CV053-EMB

ASHLEY FURNITURE INDUSTRIES, INC., Defendant

O P I N I O N

Defendant has moved for summary judgment on the grounds that the issues raised in plaintiff's complaint are preempted by the Employee Retirement and Income Security Act of 1974, 29 U.S.C. §1001, *et seq.*, which grants full discretion to decide benefits covered under such a plan to the Plan Administrator whose decision cannot be over-turned unless it is found to have been arbitrary and capricious. Plaintiff has not responded to the motion.

The parties in the above entitled action have consented to trial and entry of final judgment by the United States Magistrate Judge under the provisions of 28 U.S.C. §636(c), with any appeal to the Court of Appeals for the Fifth Circuit.

FACTS

The undisputed facts are that plaintiff was hired by Ashley Furniture Industries on September 29, 1997, as an hourly, full-time employee. At the time of his hiring, Ashley offered health insurance to its hourly employees after completion of 90 consecutive calendar days of service (Exhibit E, p.8 to defendant's Motion).[1] Plaintiff began an unpaid leave of absence on December 20, 1997, to celebrate his marriage and honeymoon. On December 29, 1997, before his return to work, plain-tiff developed a severe headache, for which he was ultimately hospitalized and treated for a brain aneurism (Complaint at ¶10). Defendant denied coverage for the nearly $45,000.00 in medical bills on the ground that plaintiff did not work 90 consecutive days and was therefore not eligible under the plan for benefits. Defendant also asserts that the insurance policy required that an eligible

[1] 2.1(a) New Employees. [] Hourly Employees and truck drivers become eligible to participate in the Plan after completing 90 consecutive calendar days of service as an Eligible Employee.

employee be at work on the day he would have become eligible, in this case on December 24, 1997 (December 28, 1997 was a Sunday and a non-work day as was December 25, 26 and 27 which were paid holidays) (Exhibit E, p.8).[2] Although plaintiff has not responded to the motion, it is his contention in the complaint that he was an Eligible Employee under Section 1.12 of the policy because he was "regularly scheduled" to work at least 30 hours per week upon the plant's re-opening after the holidays on January 5, 1998.[3]

LAW

This court must give deference to the plan administrator's decision regarding eligibility for benefits where the factual conclusions reflect a "reasonable and impartial judgment," where the "evidence clearly supports denial," and where the decision is not "arbitrary and capricious." Vega v. National Life Insurance Services, Inc., 145 F.3d 673 (5th Cir. 1998); Rutledge v. American General Life and Accident Insurance Company, 914 F.Supp 1407 (ND Miss. 1996). Arbitrary and capricious has been defined as without a rational connection between the known facts and the decision. Vega.

The court has reviewed carefully the policy at issue, and the decision of the Plan Administrator (Exhibit D), and cannot find that the decision was either arbitrary or capricious. The plain language of the policy requires that an employee work 90 consecutive days -- plain-tiff took an unpaid leave of absence 8 days before reaching this requirement. Further, the plain language of the policy requires that an employee be at work on the date of he would have become eligible, and plaintiff was not. Under these facts, the decision to deny insurance benefits to the plaintiff is reasonable and supported by the evidence.

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[2] 2.1(b) Active Employment. In the event that any Eligible Employee is not actively at work on the first scheduled work day on or after the day he/she would otherwise be eligible to participate, the individual will not be eligible to participate in the Plan until the date he/she returns to active employment.

[3] 1.12. Eligible Employee means any Employee who is regularly scheduled to work at least 30 hours per week, at or from the Employer's Mississippi facility.

In the court's opinion the defendant has met its burden, and is therefore entitled to judgment as a matter of law. A separate order in accordance with this opinion shall issue this same date.

THIS, the 3rd day of May, 2000.

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UNITED STATES MAGISTRATE JUDGE

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF MISSISSIPPI
WESTERN DIVISION

GLEN MAIER, Plaintiff

v. No. 3:99CV053-EMB

ASHLEY FURNITURE INDUSTRIES, INC., Defendant

FINAL JUDGMENT

In accordance with an opinion entered this day, the parties in the above entitled action having consented to trial and entry of final judgment by the United States Magistrate Judge under the provisions of 28 U.S.C. §636(c), with any appeal to the Court of Appeals for the Fifth Circuit,

Defendant's Motion for Summary Judgment is hereby sustained, and all of plaintiff's claims against Ashley Furniture Industries, Inc. are hereby dismissed with prejudice.

All memoranda, depositions, affidavits and other matters considered by the court in ruling on the motion for summary judgment are hereby incorporated and made a part of the record in this cause.

SO ORDERED, this, the 3rd day of May, 2000.

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UNITED STATES MAGISTRATE JUDGE

O P I N I O N

Defendant has moved for summary judgment on the grounds that the .

Plaintiff has responded that

The parties in the above entitled action have consented to trial and entry of final judgment by the United States Magistrate Judge under the provisions of 28 U.S.C. §636(c), with any appeal to the Court of Appeals for the Fifth Circuit.

FACTS

In the court's opinion the defendant has met its burden, and is therefore entitled to judgment as a matter of law. A separate order in accordance with this opinion shall issue this date.

THIS, the day of , 2000.

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UNITED STATES MAGISTRATE JUDGE

FINAL JUDGMENT

In accordance with an opinion entered this day, the parties in the above entitled action having consented to trial and entry of final judgment by the United States Magistrate Judge under the provisions of 28 U.S.C. §636(c), with any appeal to the Court of Appeals for the Fifth Circuit,

Defendant's Motion for Summary Judgment is hereby GRANTED, and all of plaintiff's claims against are hereby dismissed with prejudice.

All memoranda, depositions, affidavits and other matters considered by the court in ruling on the motion for summary judgment are hereby incorporated and made a part of the record in this cause.

SO ORDERED, this, the day of , 2000.

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UNITED STATES MAGISTRATE JUDGE